

ANDALEX
RESOURCES, INC.

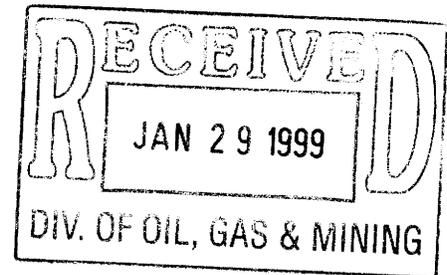
P.O. BOX 902
PRICE, UTAH 84501
PHONE (435) 637-5385
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ACT/007/033 #2

Pam

January 25, 1999

Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Attn: Pamela Grubaugh-Littig



Re: ACT 007/033 Wildcat Loadout,
Five-Year Renewal

Dear Ms. ^{Pam}Littig,

ANDALEX Resources Inc. is hereby applying for a five-year renewal of the above-referenced permit for the Wildcat Loadout facility. Enclosed please find current liability insurance which is in effect until July 1, 2000. Also enclosed is a letter from the underwriters group indicating our reclamation bond in the amount of \$813,795.00 is in full force and effect. This amount exceeds the most recent bond estimate conducted by your staff. Attached to the reclamation bond is a copy of the reclamation agreement between ANDALEX and the Division of Oil, Gas and Mining. Finally, I have attached a current version of our AVS information relating to officers and directors of ANDALEX.

In addition to the standard renewal materials listed above, we are in the process of upgrading the text of the MRP so that the information contained in the text corresponds with the current R645-301 regulations.

I have included an example of the proposed public notice which we would run in the Sun Advocate at the appropriate time.

Please call me with any questions. Thank you.

Sincerely,

Michael W. Glasson
Senior Geologist
ANDALEX Resources Inc.